
REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: 14
DATE OF MEETING:	17 MARCH 2022	CATEGORY: RECOMMENDED
REPORT FROM:	STRATEGIC DIRECTOR – CORPORATE RESOURCES	OPEN
MEMBERS’ CONTACT POINT:	STEVE BAKER steve.baker@southderbyshire.gov.uk	DOC:
SUBJECT:	LAND IN SWADLINCOTE	REF:
WARD AFFECTED:	SWADLINCOTE	TERMS OF REFERENCE: FM 01

1.0 Recommendations

1.1 That approval be granted to transfer the remaining £375,204 from the Economic Regeneration Reserve into the Midland Road/Belmont Street capital budget to fund additional works.

1.2 That any underspend in the Town Centre Public Realm capital budget be transferred to the Midland Road/Belmont Street project.

1.3 That the plans detailed in **Appendix 2** be approved, subject to planning permission and the project being phased and revised to meet budget constraints.

2.0 Purpose of the Report

2.1 This report updates the Committee on the current position on the Midland Road/Belmont Street town centre capital project.

2.2 It is proposed to expand this project into a multi-purpose, public realm development as part of the post-Covid regeneration of the town centre, subject to planning permission and available funds.

2.3 As a result the costs will increase significantly and this report seeks approval to use the remaining £375,204 within the Economic Regeneration Reserve and any underspend in the Town Centre Public Realm capital budget to fund additional works.

2.4 As the total cost is now estimated at £1,040,000 the project will be phased, with the second phase progressed when additional funds become available.

3.0 Executive Summary

3.1 In September 2020, the capital bidding round allocated £300,000 for the demolition of Bank House/Bretby View and creation of car parking on Midland Road/Belmont Street as shown in **Appendix 1**.

3.2 These works were intended to address the dilapidated condition of the buildings and ongoing anti-social behaviour and create an interim car park use until such time as the site is redeveloped.

3.3 In recognition of the need to aid the town centre's post-Covid economic recovery it is now proposed to expand this project into a multi-purpose public realm development, as shown in **Appendix 2**. The scheme has been extended to include the demolition of the Indoor Market and replacement with a multi-use events and parking area.

3.4 As a result the cost will increase significantly and this report seeks approval to use the remaining £375,204 within the Economic Regeneration Reserve and any saving in the Town Centre Public Realm project to fund additional works.

3.5 As the total cost is now estimated at £1,040,000 it will be necessary to progress the project in phases. The first phase will deliver the creation of the multi-purpose events and parking space on the Indoor Market site together with the demolition of Bank House and Bretby View and grouting/capping of the mineshaft identified in the ground investigations.

3.6 A second phase to create new car parking and a pocket park on the site of the cleared Bank House/Sabines Yard site will be completed when additional funding becomes available.

4.0 Detail

4.1 In 2015, the Council purchased Bretby View/Sabines Yard as part of its town centre regeneration strategy, as shown in **Appendix 1**. The buildings have since been vacant pending clearance and redevelopment as part of the Civic Hub project.

4.2 The buildings are dilapidated and suffer anti-social behaviour and the capital bidding round in September 2020 allocated £300,000 to demolish them and create interim car parking.

4.3 The subsequent Covid pandemic has impacted significantly on both the Council's accommodation needs and the town centre economy. This has prompted a re-evaluation of the Council's property assets to ensure they reflect the changing working arrangements and contribute to the post-Covid economic recovery.

4.4 The Civic Hub project has now refocused on refurbishing the current Civic Offices with a view to delivering suitable accommodation for both Council staff and co-location with partner organisations.

4.5 The Council's Indoor Market and Midland Road/Belmont Street sites have the potential to make a significant contribution in reviving the town's economy through investment in public realm works. The Council is already investing in the refurbishment of The Delph shop frontages, with contractors now appointed to undertake these works.

4.6 The Town Centre Public Realm works will see The Delph resurfaced, together with the replacement of street trees and other works to improve the town's appearance. Initial ground investigations have confirmed the sub-structure stability is satisfactory, and an

initial consultation with a contractor has confirmed these works should be deliverable within the allocated capital budget.

4.7 The current surface will be replaced with granite for improved durability and is expected to be completed by October 2022 having regard to the timescales for the Planning and tender processes and apparent four month lead-in time for the supply of materials.

4.8 Architects have prepared drawings illustrating the proposals for both sites and these are shown in **Appendix 2**.

4.9 The works proposed for the two sites are as follows:

Indoor Market

4.10 The Indoor Market roof will be removed which in itself will address anti-social behaviour and pigeon mess.

4.11 The site will then become a car park and multi-use events space. The stores to the rear will be enlarged and include kitchen facilities and the site will be enclosed and landscaped to allow ticketed events. The existing steel columns will be retained and repurposed as lighting and service columns.

4.12 The events envisaged include food fairs, car boots, beer gardens, open-air cinema/theatre, trade shows etc.

4.13 Consultant engineers estimate the cost of these works at **£388,000** and it is intended that this element of the project will be completed as part of the Phase 1 works.

Bank House/Sabines Yard

4.14 Bank House and Bretby View will be demolished and the site re-engineered through a cut and fill exercise to create car parking and a 'pocket park' to the south-east.

4.15 Bank House and Bretby View will be demolished as part of the Phase 1 works. A ground investigation has identified a mineshaft within the site, and this will need to be grouted and capped as part of this first phase.

4.16 The Council's consultant engineers estimate the cost of this demolition and mineshaft capping at **£145,000**. The Phase 1 works therefore total **£533,000** as shown in the Costs section below, and can be afforded if the remaining £375,204 Economic Regeneration sum is added to the original £300,000 capital allocation.

4.17 The next stage of works on this site would be the cut/fill/car park surfacing works, and these are best packaged as a single tender. As this work represents the majority of the remaining £507,000 cost, this creates a logical split between the two work phases. The practicality of including EV charge points will also be considered as part of this tender package.

4.18 It is proposed therefore that some remaining funds be used to tidy the site after demolition, but this second phase otherwise be progressed when additional funds become available.

5.0 Financial Implications

Value for Money Tests

a) Economic

5.1 The site clearance and remediation will need to be undertaken in any event for the redevelopment of this site. The works therefore represent real progress towards the longer-term regeneration of the town.

5.2 Demolition of the dilapidated buildings will avoid future repair costs which would otherwise be required to ensure the premises are safe and secure.

b) Efficient

5.3 The demolition will reduce the repair and maintenance liability which would otherwise be incurred to render the premises safe and secure. The site will need to be demolished in any event, and clearance now will generate maintenance cost savings in the period prior to development.

c) Effective

5.4 The site clearance and public realm works will enable this underused site to be used more effectively.

d) Equitable

5.5 The creation of free public car parking as part of this project will help support vulnerable groups such as small, town centre businesses and market traders.

Costs

5.6 The balance on the Reserve is currently £375,204 after allocation from the £1,000,000 set-aside for regeneration works of £80,000 for the purchase of Unit 1 George Homes, £300,000 for the Town Centre Public Realm project and £244,796 for the Midland Road/Belmont Street capital project.

5.7 The Midland Road/Belmont Street project current totals £300,000 as this scheme had already been allocated £55,204 during a previous capital bidding round.

5.8 If the remaining amount on the Economic Regeneration Reserve is approved, the total amount available for the project and works now associated with this project is £675,204. This will fund the estimated cost of the Phase 1 works.

5.9 A breakdown of the phase 1 costs for the proposed project is illustrated below:

ELEMENT	BANKS HOUSE	MARKET HALL
Construction (£)	25,200.00	300,740.00
CCTV & Power Upgrade	Excluded	Inc
Mine Shaft Remedials	100,000.00	-
Preliminaries (£)	7,500.00	30,074.00
Section 278 Works	Excluded	Excluded
Contingency @ 5% (£)	6,635.00	16,540.70
Professional Fees @ 10% (£)	3,270.00	33,081.40
BCIS Inflation - 2% (Summer 2022 - Start on Site)	2,852.10	7,608.72
Project Total	£145,457.10	388,044.82
PHASE 1 - ESTIMATED PROJECT COST		£533,501.92

6.0 Corporate Implications

Employment Implications

6.1 The creation of additional free car parking will support the most vulnerable, encouraging town centre activity and investment, particularly for small businesses suffering due to the economic impact Covid-19 and the market traders.

Legal Implications

6.2 Not applicable.

Corporate Plan Implications

6.3 A key aim of the Corporate Plan is to 'enhance the attractiveness of South Derbyshire', and 'improve public spaces to create an environment for people to enjoy.'

Risk Impact

6.4 If the buildings are not demolished they will fall into increasing disrepair, representing a health and safety risk and requiring continued expenditure on reactive repairs to ensure they are safe and secure.

6.5 If the project did not proceed, the site would continue to be underused, and the opportunity to help local businesses during the peak of the economic impact of Covid-19 through the provision of public car parking and events facilities would be lost.

7.0 Community Impact

Consultations

7.1 Consultations have been carried out with identified stakeholders and their comments are included within the report.

Equality and Diversity Impact

7.2 The creation of additional free car parking at a time when the trend is towards on-line shopping will support the most vulnerable, encouraging town centre activity and investment, particularly for small businesses suffering due to the economic impact Covid-19 and the market traders.

Social Value Impact

7.3 Bank House/Bretby View are no longer fit for any practical use and the surrounding land is underused. This project would deliver excellent services to the community and contribute towards the town's economic recovery.

Environmental Sustainability

7.4 The clearance of inefficient and poorly insulated buildings will help tackle climate change and make a significant contribution towards enhancing the attractiveness of South Derbyshire.

7.5 The opportunity to include the installation EV recharging points will be considered as part of the phase 2 works.

8.0 Conclusion

8.1 The site clearance and creation of public realm works within the town centre will contribute significantly to the town's economic recovery. The transfer of the remaining £375,204 from the Economic Regeneration Reserve is therefore recommended for approval.

9.0 Background Papers

Appendix 1 - Midland Road/Belmont Street site

Appendix 2 – Architects drawings illustrating the development proposals